



SO ORDERED.

SIGNED this 20 day of July, 2005.

A handwritten signature in black ink, appearing to read "R. E. Nugent", is written over a horizontal line.

ROBERT E. NUGENT
UNITED STATES CHIEF BANKRUPTCY JUDGE

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF KANSAS**

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|---|---|-------------------|
| IN RE: |) | |
| |) | |
| FURNITURE SERVICE GROUP OF KANSAS, INC. |) | CASE NO. 03-13107 |
| |) | CHAPTER 7 |
| DEBTOR(S) |) | |
| |) | |

**INITIAL CASE MANAGEMENT AND PROCEDURES ORDER FOR ADVERSARY
PROCEEDINGS BROUGHT BY TRUSTEE**

NOW ON THIS 14th day of July, 2005, the Court considers the Motion of the Trustee for a Case Management and Procedures Order regarding all adversary proceedings brought by the Trustee in any or all of the above captioned matters. The Trustee gave proper notice of its Motion to all interested parties and defendants named in adversary proceedings with an opportunity to object regarding all adversary proceedings brought by the Trustee. The Trustee's Motion was heard on July 14, 2005.

BACKGROUND

A. The above-named debtor filed its chapter 11 petition on June 10, 2003. On July 2, 2003 pursuant to Fed. R. Bankr. P. 1015, this Court ordered the joint administration of

Chapter 11 affiliated cases filed in this Court: *In re Goldsmith's, Inc.*, Case No. 03-13105; *In re Goldsmith's Inc. of Texas.*, Case No. 03-13106; *In re Furniture Services Group, Inc.*, Case No. 03-13108; *In re Facilities Services Group of Texas, Inc.*, Case No. 03-13109; and *In re Interior Resources, Inc.*, Case No. 03-13110.

B. On April 4, 2005 the Court granted the Debtors' Motion to Convert the Jointly Administered cases to Chapter 7 pursuant to 11 U.S.C. § 1112(a). Steven L. Speth was appointed as Chapter 7 trustee ("Trustee").

C. On May 17, 2005 an Order was entered, granting the Trustee's application to employ Timothy J. King as special counsel to represent the Trustee and pursue preferential transfers and/or fraudulent transfers made by debtor.

D. On May 26, 2005, the Trustee filed a total of 378 adversary actions in these jointly administered bankruptcy cases (the "Adversaries").

E. The entry of a Case Management Order applicable to all Adversaries is appropriate to manage the handling of the Adversaries in a timely and efficient manner for the parties and the Court.

INITIAL CASE MANAGEMENT ORDER

1. RULE 26(a)(1) DISCLOSURES AND DISCOVERY PLANNING

A. The discovery planning conference described in Fed.R.Civ.P.26(f), made applicable by Fed.R.Bankr.P.7026, shall occur no later than **August 15, 2005**. The Defendant shall initiate the planning conference with the Trustee. The parties will not be required to submit a written report of their planning conference as otherwise required under Fed. R. Civ. P. 26(f).

B. The parties shall exchange the initial disclosures under Fed.R.Civ.P.26(a)(1) by no later than **August 31, 2005**.

2. SCHEDULING ORDER AND DISCOVERY DEADLINES

A. All fact and expert depositions and discovery shall be initiated so as to be completed no later than **January 2, 2006**. *In light of the unusually lengthy discovery deadline, requests for extensions will not be viewed favorably by the Court and will not be granted absent a showing of extraordinary circumstances.* The parties are reminded that except where modified by this Order, the provisions of D. Kan. LBR 7026.1 will govern discovery and discovery disputes in these Adversaries.

B. All motions to amend the pleadings or add parties shall be made no later than **September 8, 2005**.

C. The Court does not contemplate that these Adversaries will necessitate expert testimony. However, if expert witnesses are required, expert reports and disclosures under Fed.R.Civ.P.26(a)(2) shall be provided no later than **November 3, 2005**. Disclosure of rebuttal experts and reports, if any, shall be made no later than **December 5, 2005**.

D. All dispositive motions shall be filed no later than **January 16, 2006**. The parties are reminded that the provision of **D. Kan. LBR 7012.1** and **D. Kan. LBR 7056.1** will apply to dispositive motions in these Adversaries. If oral argument is granted on a dispositive motion, such hearing shall be conducted at an Omnibus Hearing, unless otherwise ordered.

E. An Agreed Final Pretrial Conference Order will be due no later than **January 16, 2006**. The Trustee shall be responsible for drafting the Final Pretrial Conference Order. To the extent the parties cannot agree upon the Final Pretrial Order, a final pretrial conference will be conducted at an Omnibus Hearing. Counsel who will participate in the trial of the case must be present *in person* at such a final pretrial conference.

3. OMNIBUS HEARINGS

A. All status conferences, pretrial conferences, and hearings on discovery and non-dispositive motions and dispositive motions related to these Adversaries shall be held on a regular, periodic basis at scheduled Omnibus Hearings.

B. All motions, applications, and requests in these Adversaries shall be properly noticed to one of the regularly scheduled Omnibus Hearing dates. All pending and outstanding matters in these Adversaries that have been properly noticed (and afford the opposing party with the applicable notice requirements of the Fed. R. Bankr. P. and the local rules of this Court) may be heard at the next scheduled Omnibus Hearing.

C. The Omnibus Hearings shall be held at the United States Courthouse, Room 167, 401 N. Market, Wichita, Kansas on the following dates and times:

1. **August 24, 2005 at 1:30 p.m. CST.**
2. **September 28, 2005 at 1:30 p.m. CST.**
3. **October 26, 2005 at 1:30 p.m. CST.**
4. **November 23, 2005 at 1:30 p.m. CST.**
5. **December 21, 2005 at 1:30 p.m. CST.**

D. Seven (7) days prior to each scheduled Omnibus Hearing, the Trustee shall prepare and submit to the Court an Agenda for the Omnibus Hearing, identifying by Adversary Proceeding number, each Adversary that has a matter for hearing at the Omnibus Hearing and a brief description of the matter(s) or motion that is scheduled for hearing. The Trustee shall also provide the Agenda to each party or party's counsel for the Adversary Proceeding identified on the Agenda.

E. The Court may schedule further Omnibus Hearings as the Court may require.

4. TRIALS

A. The Court will begin scheduling these Adversaries for trial(s) to commence in January 2006. A notice of trial setting will be issued to the parties by the Court.

B. Five (5) days prior to the scheduled trial date, the parties shall file and serve lists of witnesses and exhibits and exchange marked copies of exhibits. The original and two copies of each party's exhibits shall also be supplied to the Court.

C. If the parties seek to mediate the adversary proceeding, the parties must make a request under D. Kan. LBR 9019.2. A trial setting will stand unless a Rule 9019.2 request has been made in writing and filed with the Court.

5. MISCELLANEOUS ORDERS

A. Failure to comply with this Initial Case Management and Procedures Order may result in the exclusion of evidence, dismissal of the action, entry of a default judgment, striking of pleadings, assessments of costs and attorney fees, or other appropriate action or sanction.

B. Although the complexity of certain cases may be grounds for extensions and continuances when timely filed, delayed discovery will not justify the granting of an order extending deadlines or continuing trials.

C. The Trustee shall forthwith serve a copy of this Initial Case Management and Procedures Order on each defendant party (or defendant's attorney if an attorney has entered an appearance) in the Adversaries and shall file a proof of service with the Court.

IT IS SO ORDERED.

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